



May 1, 2012

## City of Evert

200 South Main Street,  
Evert, Michigan 49631  
Phone: 231-734-2181  
Fax: 231-734-3917

City Manager  
& Police Chief

**Zackary Szakacs**  
evartmanager@sbcglobal.net

City Clerk

**Ann Pattee**  
evartclerk@sbcglobal.net

City Treasurer

**Pamela Wayne**  
evarttreasurer@sbcglobal.net

Water & Wastewater  
Superintendent

**Jim Ward**  
evartwater@att.net

DPW Director

**Buck Vallad**  
evartdpw@att.net

Michigan Department of Treasury Office of Revenue and Tax Analysis  
P.O. Box 30722  
Lansing, Michigan 48909

Ref: Economic Vitality Incentive Program, Certification of Employee Compensation

In order to comply with the State of Michigan's Economic Vitality Incentive Program that meets requirements of Michigan's Public Act 152, the City of Evert has developed an Employee Compensation Plan.

New hires that are eligible for retirement will be placed in Michigan Employees Retirement System (MERS), Uniform Hybrid Program with an annual city contribution capped at 10% of base salary. Currently our first new hire was placed in the Hybrid Plan at 6.47% with a maximum multiplier of 1.5%. Final average compensation for all employees will be calculated using a minimum of 3 years compensation and shall not include more than 240 hours of paid leave. Overtime hours shall not be used in computing the final average compensation for an employee. The city's defined benefit plan multiplier is 2.25%. Employees are eligible for social security, not eligible for retiree health care.

Health care premium cost for current Police Officers Labor Council (POLC, see attached Letter of Understanding), and for all nonunion employees, the City of Evert had adopted the Hard Cap Plan on January 1, 2012 with the city paying the minimum \$5,500 single, \$11,000 double and \$15,000 for a family. The City of Evert also negotiated cost sharing with the POLC starting July 1, 2012 at 2% to 10% in addition to the Hard Cap Plan. The City of Evert will adjust these limits each year when notified of maximum amounts established by the State Treasurer for medical benefits plan coverage years.

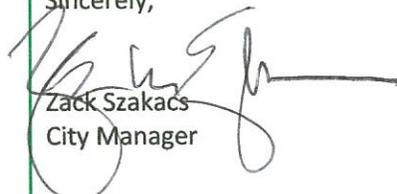
The Teamsters Local 214 Agreement with the City of Evert does not expire until June 30, 2014; currently the members of Teamsters Local 214 are cost sharing their health insurance with a maximum by 2013 of 10%. When the Teamster Local 214 contract expires, it is the city's intention to negotiate and adopt the Hard Cap Plan with the group.

The following documents are available for public viewing in the City Clerk's Office:

City of Evert health and benefit plans  
Police Officer Labor Agreement with the city  
Teamsters Local 214 Agreement with the city  
MERS Plan document  
MERS Hybrid Plan for new hires  
Letter of Understandings for POLC

The plan will be posted on the city's internet site.

Sincerely,



Zack Szakacs  
City Manager